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NSC BRIEFING

PHILIPPINES

I. The contest for the Philippine presidency in November is shaping up primarily as a party fight between the ruling Nacionalista Party and opposition Liberals.

A. Ultrationalist Senator Recto, however, ^{says he will} ~~is still running~~ independently ^{if he can't get a party -} ~~if no party ^{Corra to have privilege of his heading their ticket.}~~

II. Although a stone thrown into any crowd is likely to strike at least one Nacionalista presidential candidate, President Garcia holds the inside track for the Nacionalista nomination because of his official position.

A. Garcia, however, lacks popular appeal and Senator^(Pres. of Nat. Party & Senate) Laurel, Senator Rodriguez, Puyat, and Paredes are making serious bids for the top slot. ^(Senator, influential Senator from Manila businessman)

1. Result is intense and bitter maneuvering which is threatening party unity.
2. Each aspirant believes the others should "sacrifice" their personal ambitions.

INSERT → 3. The Nacionalistas have also lost an important segment of the former Magsaysay-for-President Movement, which has broken with the Garcia administration, ^{leads "Spirit of Magsaysay" movement and has} and launched a new Progressive Party.

1. Its candidate is former customs commissioner Manuel Manahan.

III. These Nacionalista difficulties have raised the prospects of the Liberals, who will almost certainly nominate the highly respected ~~former House Speaker~~ Jose Yulo, now visiting the US, at their

convention ~~opens in early June~~ in early June

INSERT → ~~An Abner~~ ~~Wanda~~ ~~Sugar~~ ~~Manila~~ ~~Former Speaker House~~ ~~Former VP candidate~~ ~~with~~ ~~Quirino~~

IV ~~X~~ Liberals think Recto will draw off enough Nacionalista votes to enable Yulo to win with as little as 40% of the total votes.

A. Some rejected Nacionalista candidates may defect to Liberals.

B. They believe they have several good issues, particularly so-called China Lobby scandal.

In latter
1. Nacionalista leaders allegedly have accepted bribes on behalf of ⁽²⁴⁰⁰⁾ Chinese political refugees without Philippine visas.

C. The Liberals are probably counting on new Progressive Party eventually to join them, and plan to offer the group three places on the Liberal senatorial ticket.

1. While pro-American congressman Macapagal is the leading Liberal vice presidential candidate, Yulo is reported to have some interest in Manahan ~~a close associate of~~
~~Magsaysay~~ as his running-mate.

V. The election outcome is presently touch and go.

A. Prospects are that it will be orderly, but public may be apathetic.

B. The Communists are likely to give covert support to Recto, but his prospects are believed poor.

1. He is marked as Magsaysay's bitter enemy.

2. Roman Catholic Church hierarchy opposes him.